

James W. Carter, Jr.  
1406 North Mitchell Avenue  
Arlington Heights, Illinois 60004  
(847) 259-8569

11-006

Mr. Mike Constantino  
Supervisor, Project Review Section  
Illinois Health Facilities and Service Review Board  
525 W. Jefferson St., 2<sup>nd</sup> Floor  
Springfield, IL 62761

April 18, 2011  
Via Fax (217) 785-4111

Re: Transitional Care Management Proposal for a 120 Bed Skilled  
Nursing and Rehabilitation Facility at 1200 N. Arlington Heights Road

Dear Sir:

For 36 years we have lived less than a mile from the proposed site for the above-referenced facility. For over 30 years we have supported the Lutheran Home, which is also less than a mile from the site. Our parents have lived for the past 5 years at Hearthstone, the Lutheran Home's Assisted Living facility. Our father utilized the rehabilitation services at the Lutheran Home after hospitalizations. We are concerned about the above referenced Proposal and would like to state the following points, which we believe to be fair and accurate:

1. In this area there are several highly respected nursing homes that are providing excellent rehabilitative care. Some are non-profit organizations like the Lutheran Home, and they also provide charity care and other community support. Over saturation might result in closure of current facilities which are well serving our community.
2. The Lutheran Home has served our community for over 100 years. Last year it provided approximately \$12,200,000 of charity care, with an average daily census of 80 Medicaid patients. In its Application Transitional Care Management states that it will not "require payors (Medicare, managed care, or private insurance) to subsidize long term patients in a facility who are reimbursed by lessor payors" (emphases added). The implication is clear: Transitional Care management does not intend to help our community to care for those people who do not have Medicare, insurance or other resources to pay for their care ("lessor payors").
3. If a facility less than a mile away from the Lutheran Home would "cherry pick" those able to pay and avoid the "lessor payors", it would most certainly affect the Lutheran Home's ability to provide charity care and other social services, such as Meals on Wheels, a joint endeavor with Wheeling Township which delivers approximately 14,000 meals a year to frail citizens.
4. The Illinois Department of Public Health recently published cost reports for 2009 which indicates that the average occupancy rate across all facilities in the Planning Area where the Lutheran Home is located is only 75%, with an excess of 800 unoccupied beds in the

-2-

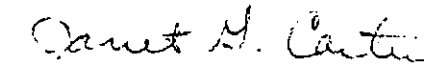
Area. This is well below the 90% occupancy that the IHFSRB has indicated is desired. The Review Board Rules state that a new facility should not be built if the new facility's beds will cause occupancy rates of less than 90%. The current 75% rate shows there is no need for a new facility in this Area.

Finally, the IHFSRB is duty bound to deny this Application. The Board Rules are intended to avoid needless capital expenditures that drive up the cost of health care and create excess capacity in the health care facilities in any given area of our State. Failure to deny this Application will threaten the ability of the Lutheran Home and others in our area to continue to provide social and charitable services and benefits to our community.

Thank you for your consideration of our letter.

Sincerely,

  
JAMES W. CARTER, JR.

  
JANET G. CARTER



# Saint Peter

LUTHERAN CHURCH & SCHOOL

LCMS

111 W. OLIVE ST. • ARLINGTON HEIGHTS, IL 60004 • Ph. 847-259-4114 • Fax 847-259-4185 • stpeter-ah.org

### FAX MEMORANDUM

TO: MR. MIKE CONSTANTINO

FAX # 217-785-4114

ATTN: \_\_\_\_\_

FROM: JAMES W. CARTER, JR.

DATE: \_\_\_\_\_

SUBJECT: TCM PROPOSAL

There are 3 pages including this cover memo. Please forward the sheets to the person indicated.

Additional Information

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_